



EUROPEAN CIGAR MANUFACTURERS ASSOCIATION
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Written evidence submitted by the European Cigar Manufacturers Association (ECMA) regarding the Tobacco and Vaping Bill

Executive summary

In summary, ECMA believes that

- regulators should approach tobacco control legislation in a balanced and proportionate way, based on sound and publicly available scientific evidence;
- the British authorities should prioritise new regulatory action against those **products** that pose **higher youth and daily usage concerns**;
- the British government should have undertaken **an appropriate impact assessment**, including a **Small and Micro Business Assessment**, taking into account the use patterns, consumer profiles, market dynamics and market players in the cigar/cigarillo sector;
- the available evidence reflects that cigars/cigarillos remain enjoyment products **predominantly consumed on an occasional basis** and continue to comprise a marginal and **declining** component of overall smoking prevalence across Europe, where figures across the EU and the UK also demonstrate consistently that cigars/cigarillos hold **little interest for younger legal-age consumers**;
- seeking to impose additional regulations on the small-business European and Central American cigar industry is an inappropriate use of resources that will not yield the **population-based benefits** the British regulators should focus its resources on; and
- the British Parliament should exclude cigars/cigarillos from the scope of the ban foreseen in the Tobacco and Vaping Bill, or at least consider **a specific age-limit for these traditional products**.

The European cigar sector

1. While the global tobacco industry is generally comprised of large multinational corporations, the European cigar/cigarillo industry is characterised by its medium sized businesses. As such, The European Cigar Manufacturers Association's (ECMA) members represent **73% of cigars/cigarillos placed on the European market**¹. In fact, with only a few exceptions, European cigar/cigarillo manufacturers continue to be owned and controlled by their founding families. With an average 150 years of experience in craftsmanship, these companies are also deeply rooted in their local economies, communities, and national heritage. Of its 21 full members, ECMA boasts **seventeen family-owned companies** – including **7** falling under the definition of **SMEs** – from all across Europe, all with strong regional roots. None of the so-called 'Big Tobacco' companies are part of ECMA's membership.

2. The distribution chain involved in the trade of cigars/cigarillos in the United Kingdom (UK) is also composed of a myriad group of smaller businesses, including importers, distributors,

¹ The list of all ECMA members can be found on the ECMA website: www.ecma.eu



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retailers, and very often specialised stores. In fact, the vast majority of importers and distributors of tobacco products in the UK working with European manufacturers are SMEs and micro-businesses which employ significantly fewer than 50 people. Considering the very limited scale of these businesses' operations, and the specialist nature of the products, their contribution to the national smoking prevalence and their share of the total tobacco market in the UK continue to result in a statistically insignificant percentage. The application of the proposed generational ban to cigars/cigarillos would have a devastating effect on the future viability of these businesses (**with 80% of their total revenue coming from the sales of niche tobacco products**) and their values as going concerns. As the Government stated that its aims *'to strike a balance between protecting the most vulnerable and ensuring businesses are not financially harmed'* when excluding outdoor environments of pubs and bars from the scope of the outdoor smoking ban, we kindly ask Parliament to consider a similar approach in relation to specialist tobacconists.

3. Considering its representativity over the cigar sector, ECMA is submitting evidence on the well-documented and specific nature of cigar/cigarillo consumption to maintain a differential regulatory treatment.

A smokefree generational ban applicable to all tobacco products – a departure from an established differential regulatory treatment

4. Historically, the UK government's initiatives to prevent, reduce and eliminate the consumption of tobacco products have largely been concerned in practice with the promotion and use of cigarettes and hand-rolling tobacco, the combination of which account for the vast majority of tobacco products consumed in Great Britain. Such an approach is not only consistent with sound, evidence-based policy making and the present Government's commitment to the same, but also with the vast majority of European countries which apply a differentiated regulatory treatment for cigars/cigarillos².

5. It is our view, that policy development for tobacco products, including a proposed generational ban, should continue to recognise the differences that exist between categories of products.

UK market for cigars/cigarillos

6. ECMA notes first and foremost that as of 2022, cigars/cigarillos constituted a niche category and only accounted for 0.96 % share of the UK tobacco market, with cigarettes and hand-rolling tobacco accounting for a 97.8 % share, and 'others' comprising 1.24% (Source: HMRC

² As this is the case in Directive 2014/40/EU but also at the national levels in Denmark, France, Hungary, Norway, Slovenia and as of this year Spain.



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Clearance Data). Contrary to what has been recently suggested in media reports³, the traditional cigars/cigarillos category shows a decline of 27.2% over the past 5 years. The sharp rise in the number of people claiming to smoke non-cigarette tobacco in the mediated study is obviously the result of the change in methodology during the COVID crisis; **a fact acknowledged by the authors of the study themselves.**

7. Cigars/cigarillos therefore remain enjoyment products and continue to comprise a marginal and declining component of overall smoking prevalence across the UK⁴. The segment is so insignificant that it is already well below the Government's 2030 smokefree target of 5% or less smoking incidence. **Providing an age specific limit for cigars/cigarillos to the proposed generational sales ban will therefore not impede on said objective.**

Use patterns of cigars/cigarillos

8. It is a well-recognised fact that cigars/cigarillos' consumption **is markedly distinguishable from cigarettes, hand-rolling tobacco and vaping in their use patterns.**

9. First and foremost, ECMA would like to highlight that the prevalence of cigars/cigarillos use (as well as for the rest of the OTP category) among the UK population is so insignificant that neither the DHSC nor the Office for National Statistics currently tracks their incidence (as exemplified in the recently released 2023 Adult smoking habits in the UK).

10. Previous and foreign studies can however fill this gap data to conclude that cigars/cigarillos **typically appeal to mature consumers, who tend to be higher-income, higher-educated, and aware of the health risks associated with smoking.** In this sense, it has been demonstrated consistently that cigars/cigarillos hold little interest for younger legal- age consumers .

11. In the past, the 2012 Omnimas Survey findings reported that 90% of cigar/cigarillo users are over 25 years old, and 78% are over 35 years old. These findings are consistent the 2021 European Commission's Support Study to the report on the application of Directive 2014/40/EU, which found practically no use of cigars/cigarillos in the under-25 age group in the UK⁵. Similarly, the latest Eurobarometer published in June 2024 that cigars and cigarillos are predominantly consumed in the **35-75 age group**⁶.

³ See for reference, Sarah E Jackson, Lion Shahab, Jamie Brown, Trends in Exclusive Non-Cigarette Tobacco Smoking in England: A Population Survey 2013–2023, *Nicotine & Tobacco Research*, 2024;, ntae021, <https://doi.org/10.1093/ntr/ntae021>.

⁴ European Commission, *Study on Council Directive 2011/64/EU on the structure and rates of excise duty applied to manufactured tobacco, January 2019 (hereinafter EA 2019)*, p. 76

⁵ European Commission, Final Report: Support Study to the report on the application of Directive 2014/40/EU, May 2021, p. 290.

⁶ Eurobarometer, *Attitudes of Europeans towards tobacco and electronic cigarettes*, no 539, June 2024.

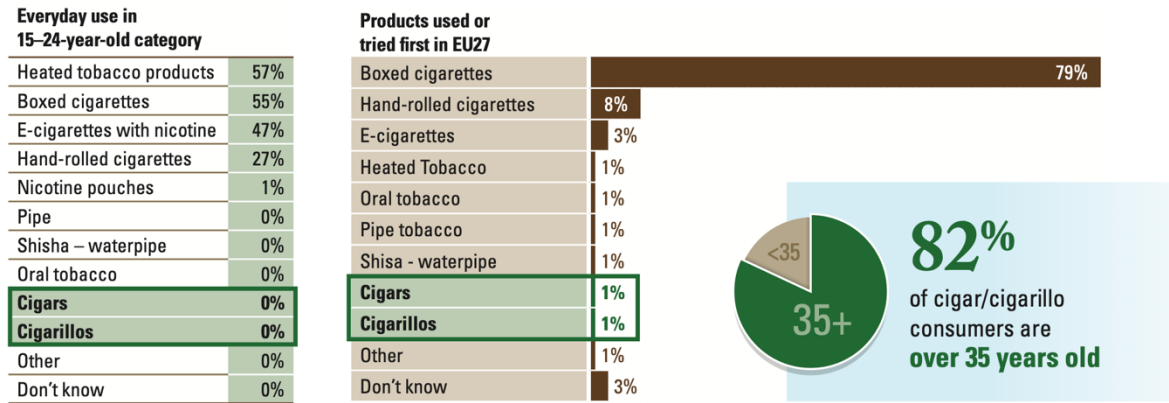


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12. Additionally, the 2023 Eurobarometer report also confirms that cigars/cigarillos are **not products associated with smoking initiation with no daily consumption statistically detected in the 15-24 age category.**

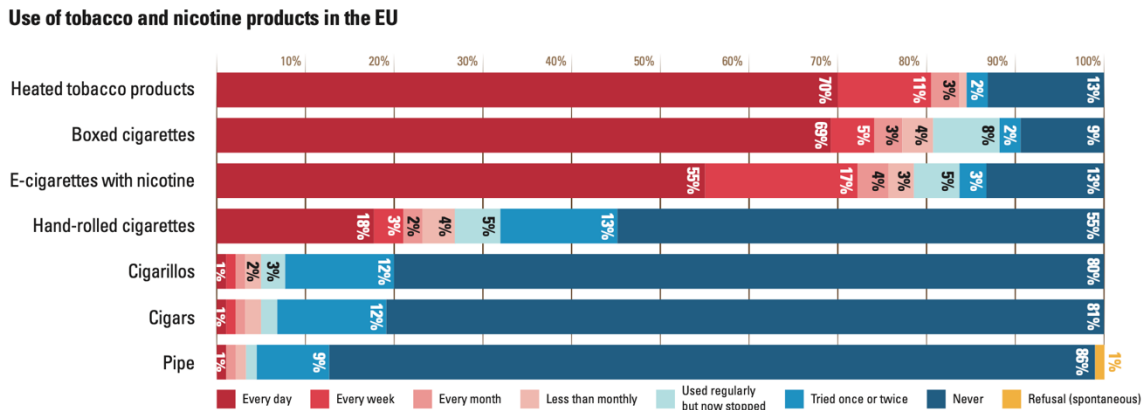
Cigars/cigarillos are not initiation products consumed by young people



Source: Eurobarometer 539 (2024)

13. These facts underlie the British Government’s tobacco control efforts with its focus on cigarettes and the hand-rolling tobacco segment. They also significantly support the establishment of an age-specific limit for cigars/cigarillos, as their inclusion would make no measurable contribution to achieving the Government’s stated policy objective of protecting young Britons from the harms of smoking and nicotine intake.

14. Most importantly, cigars and cigarillos are **also generally consumed less frequently than cigarettes by individual consumers.** While a small minority of cigar/cigarillo smokers use these products daily, others might smoke only a few cigars per month. In fact, the latest Eurobarometer⁷ on tobacco consumption continues to show that cigars/cigarillos are predominantly consumed on an occasional basis as opposed to cigarettes and new nicotine products:



Source: Eurobarometer 539 - 2024

⁷ Ibidem.



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Incorrect policy references

Departure from responsible tobacco regulation based on personal responsibility

15. While ECMA and its members acknowledge the health risks associated with smoking, we also believe that adults should have the freedom and autonomy to make lifestyle choices, especially those affecting their health. The proposed ban constitutes therefore a significant and radical departure from responsible tobacco regulation which has heretofore focused on allowing consumers access to legal tobacco products while ensuring they are aware of the risks of smoking.

16. This echoes what Neil O'Brien, Minister for Primary Care and Public Health stated on 11 April 2023: "...*The Khan Review last year advocated the New Zealand approach this would be a major departure from the policy pursued over recent decades which has emphasised personal responsibility and help for people to quit. And it is the help for current smokers to quit that we want to focus on. And, there is much more we can do to help people quit smoking....*"⁸.

17. Following this statement, we strongly believe that the Government could drive down smoking rates by concentrating on specific measures targeting youth tobacco and nicotine use, rather than imposing a blanket ban (i.e. stronger enforcement against retailers who sell tobacco and nicotine products to minors, alongside more targeted education campaigns which are effective deterrents to prevent young people from initiation) and by concentrating on specific products contributing to tobacco and nicotine initiation.

First country experiencing a generational tobacco ban and lack of impact assessment

18. His Majesty's Government's command paper *Stopping the start: our new plan to create a smokefree generation*⁹, referred to New Zealand's *Smokefree 2025 Action Plan* as a reference point. However, following legislative elections, the new coalition government repealed the policy before it took effect considering its impact on tax revenues. The United Kingdom would therefore embark in an experiment.

19. The lack of impact assessment regarding the cigar/cigarillo sector **is also very problematic**. While 'cigarettes' are referred 130 times in the impact assessment justifying the generational ban, cigars are mentioned 3 times in general term only and cigarillos none. Given the Government's commitment to evidence-based policy making, and the lack of evidence

⁸ Neil O'Brien, the Minister for Primary Care and Public Health, *Speech at Policy Exchange on Smoke Free 2030*, London, 11 April 2023, accessible here: <https://www.ukpol.co.uk/neil-obrien-2023-speech-at-policy-exchange-on-smokefree-2030/>

⁹ DSCH, *Command paper Stopping the start: our new plan to create a smokefree generation*, October 2023, accessible here: <https://www.gov.uk/government/publications/stopping-the-start-our-new-plan-to-create-a-smokefree-generation/stopping-the-start-our-new-plan-to-create-a-smokefree-generation>



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presented in support of including cigars/cigarillos, **urgent reconsideration of the measure's scope by the British Parliament is required.** The evidence for incremental age increases cited in the Impact Assessment – and its data source; relies **exclusively** upon data pertaining to cigarette and hand-rolling tobacco.

20. The analysis offered on the Impact assessment also demonstrates a lack of consideration of consequences of the measure for SMEs that comprise the cigar/cigarillo sector (namely Specialist Tobacconists). **The lack of any mention of these key players** in the Impact assessment's analysis suggests a significant gap in the assessment of the policy option of implementing this Bill and its economic consequences.

21. Although the Government's goal of protecting young people from the harms of smoking and vaping is a laudable one, the inclusion of cigars/cigarillos in the measure to ban the sale of tobacco products to those born on or after 1 January 2009, will do nothing to advance this objective.

A non-tariff trade barrier running against Global Britain's ambitions

22. The proposed generation ban also constitutes a non-tariff trade barrier going in contradiction with objectives set in the Global Britain' strategy. In that regard, ECMA notes that cigars/cigarillos represent traditional export products recognised as part of the cultural heritage in several countries who recently ratified Economic Partnership's Agreement with His Majesty Government – namely Honduras and the Dominican Republic.

23. As such, the cigar sector also constitutes one of the main sources of employment in rural areas of the region. For examples:

- 165,700 workers in Santiago, La Vega, Espailat, Puerto Plata, Valverde, Monte Cristi, Hato mayor, Cotui, Azua, San Juan (Dominican Republic);
- 46,000 workers in Copán, El Paraíso, Francisco Morazán, Olancho, Danlí (Honduras);
- 52,000 workers in Esteli and Nueva Segovia (Nicaragua);
- 30,000 workers in Kadey (Cameroon).

Conclusion & Recommendations

24. While the health risks associated with smoking are undeniable, ECMA believes that the approach to mitigating these risks should rest on regulation that is evidence-based and proportionate, and should balance public health objectives with personal freedoms, market trends, and practical enforcement challenges.

25. It is therefore our view that in light of the profile of our consumers and their use patterns, as well as the cumulative effect of existing measures, the present level of regulation is appropriate to ensure that adult consumers are able to make fully informed choices as whether to consume cigars/cigarillos.



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26. ECMA would therefore recommend

- excluding cigars/cigarillos from the scope of the ban foreseen in the Tobacco and Vaping Bill in the absence of a dedicated impact assessment on the sector, including on specialist tobacconists;
- focusing on stronger enforcement against retailers who sell tobacco and nicotine products to younger legal-age consumers, alongside more targeted education campaigns; and
- establishing a **specific** age-of-sale across the UK for cigars/cigarillos corresponding to typical **mature consumers**.